

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director $\begin{array}{c} {\rm JON~M.~HUNTSMAN,~JR.} \\ {\rm \it Governor} \end{array}$

GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection:				
OGM	Steven Fluke Environmental Scientist II			
Company	Vicky S. Miller Environmental Specialist			

Inspection Report

Permit Number:	C0070018		
Inspection Type:	COMPLETE		
Inspection Date:	Wednesday, May 18, 2005		
Start Date/Time:	5/18/2005 10:30:00 AM		
End Date/Time:	5/18/2005 3:00:00 PM		
Last Inspection:	Wednesday, February 02, 2005		

Inspector: Steven Fluke, Environmental Scientist II

Weather: partly cloudy, slight breeze, ~70 F

InspectionID Report Number: 613

Accepted by: whedberg 6/8/2005

Permitee: CANYON FUEL COMPANY LLC Operator: CANYON FUEL COMPANY LLC

Site: SOLDIER CANYON MINE

Address: PO BOX 1029, WELLINGTON UT 84542

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages		Mineral Ownership	Types of Operations
6,624.64	Total Permitted	☐ Federal	☐ Underground
24.32	Total Disturbed	☐ State	Surface
	Phase I	☐ County	Loadout
	Phase II	☐ Fee	Processing
	Phase III	Other	Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Soldier Canyon Mine; to submit water quality data in an electronic format through the Electronic Data Input web site.

(http://linux1.ogm.utah.gov/cgibin/appxogm.cgi). They are complying with this condition.

Permitting Actions: None

Violations: None

Division Order: None

Inspector's Signature	Date	Thursday, May 19, 2005
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Steven Fluke, Environmental Scientist II Inspector ID Number: 53

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
 Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	✓		✓	
2.	Signs and Markers	✓		✓	
3.	Topsoil	✓		✓	
4.a	Hydrologic Balance: Diversions	✓		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations	✓		✓	
5.	Explosives		✓		
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments		✓		
8.	Noncoal Waste	✓		✓	
9.	Protection of Fish, Wildlife and Related Environmental Issues		✓		
10.	Slides and Other Damage	✓		✓	
11.	Contemporaneous Reclamation		✓		
12.	Backfilling And Grading		✓		
13.	Revegetation	✓			
14.	Subsidence Control		✓		
15.	Cessation of Operations	✓		✓	
16.	a Roads: Construction, Maintenance, Surfacing	✓			
16.	o Roads: Drainage Controls	✓			
17.	Other Transportation Facilities		✓		
18.	Support Facilities, Utility Installations	✓			
19.	AVS Check	✓			
20.	Air Quality Permit	✓			
21.	Bonding and Insurance	✓			
22.	Other	✓		✓	

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1. Permits, Change, Transfer, Renewal, Sale

The Permittee had all the permits available for review. The permits are kept at the Canyon Fuel Dugout office and brought to the site during inspections because there are no personnel on site. The Oil, Gas and Mining permit term is from February 3, 2002 to February 3, 2007. The UPDES permit is valid from March 30, 2001 to March 29, 2006.

2. Signs and Markers

There are identification signs at the mine entrance and marking the disturbed area boundary and topsoil stockpiles. The signs contain the required information and are in the proper locations.

3. Topsoil

The topsoil stockpile has become infested with cheatgrass particularly along the south end of the stockpile. The remainder of the stockpile has well- established vegetation with patches of cheatgrass. Photographs of the cheatgrass are located on the DOGM database. Vicky Miller said the stockpile was sprayed for cheatgrass in 1998 when the Dugout topsoil stockpiles were put in. Vicky said the cheatgrass mostly sprouted this spring after a wet winter and spring. Priscilla Burton and Vicky are working on the best method to erradicate the cheatgrass while doing minimal damage to the existing vegetation.

4.a Hydrologic Balance: Diversions

A sinkhole has developed in the asphalt of the fan road berm located approximately 200 ft. below the No. 1 exhaust fan in watershed #7. The sinkhole is approximately 4'x6' and compromises the integrity of the asphalt road and berms ability to direct surface runoff to the drop drain in the facility yard. Vicky Miller is aware of the sinkhole and will have a contractor do repairs this summer. In addition, the 30" bypass culvert from the undisturbed drainage located southeast of the No. 1 fan appears to be partially filled with debris (sand and gravel) in the middle section beneath the conveyor belt. This should be cleaned out to allow designed flow volume through the culvert.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Mr. David Spillman, P.E., conducted the first quarter pond inspection on March 18, 2005. He noted no signs of instability and the storage capacity was 30%.

4.d Hydrologic Balance: Water Monitoring

The Permittee submitted the fourth quarter 2004 water monitoring data on March 21, 2005.

4.e Hydrologic Balance: Effluent Limitations

The Permittee submitted the fourth quarter 2004 DMR data to the electronic data input web site. There were no discharges reported for the quarter.

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8. Noncoal Waste

Noncoal waste at the disturbed area is properly stored, although the site is generally clear of noncoal waste.

10. Slides and Other Damage

There has been some rockfall onto buildings and pavement at the facility from winter storms. The debris will be removed and damage repaired this summer.

15. Cessation of Operations

The Soldier Canyon Mine continues to be in "Temporary Cessation" status. There are no plans to continue mining in the immediate future.

22. Other

Follow up for next inspection: 1) repair of the asphalt berm at the No. 1 exhaust fan access road, and 2) removal of debris from the 30" bypass culvert.